

VZCZCXR09921  
PP RUEHAG RUEHROV  
DE RUEHCV #1340/01 2672125

ZNY CCCCC ZZH  
P 232125Z SEP 08  
FM AMEMBASSY CARACAS

TO RUEHC/SECSTATE WASHDC PRIORITY 1854  
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY  
RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS PRIORITY  
RUMIAAA/HQ USSOUTHCOM MIAMI FL PRIORITY  
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 001340

SIPDIS

DEPARTMENT PASS TO AID/OTI (RPORTER)  
HQSOUTHCOM ALSO FOR POLAD

E.O. 12958: DECL: 09/23/2018

TAGS: PREL PGOV VE

SUBJECT: BRV DOING DAMAGE CONTROL WITH USG

REF: A. CARACAS 1283  
1B. CARACAS 1324  
1C. CARACAS 1333

CARACAS 00001340 001.2 OF 002

Classified By: ACTING POLITICAL COUNSELOR DANIEL LAWTON,  
REASONS 1.4 (B) AND (D)

11. (C) Summary. Prior to departing September 21 for Cuba, Portugal, France, Russia, and China, President Chavez continued to temper his anti-U.S. rhetoric (Ref A). The BRV reportedly moved a signing ceremony involving Chevron up to September 19, presumably to underscore continuity in the U.S.-Venezuela commercial relationship. Chavez also used that event to reiterate that he hopes to improve bilateral ties with the next U.S. administration. BRV officials stressed to the Charge that the BRV wants to restore some "normalcy" to bilateral relations, despite Chavez's September 11 expulsion of the Ambassador. For the second year in a row since his "Bush is the devil" UN speech, Chavez is opting not to speak at the UN General Assembly. BRV officials also appear to be believe the BRV will be able to improve bilateral ties as soon as a new U.S. president takes office. End Summary.

-----  
Business is Business  
-----

12. (C) President Chavez attended a September 19 signing ceremony between state-oil company PDVSA and multinationals, including Chevron, to develop liquid natural gas trains using offshore natural gas. A Chevron official told EconCouns that the BRV moved up the signing ceremony several weeks. At the event, Chavez pointed to the U.S. flag displayed prominently for the ceremony and said he hoped the next U.S. government would "respect" Venezuela so that "we could see (the U.S. flag) in a different way, we don't want to see it as an imperialist flag."

13. (SBU) Chavez also told the media that the BRV, filled with "patience and tolerance" would not respond to the "gratuitous" attacks by U.S. presidential candidates on his government. Chavez noted that U.S. candidates are "looking for votes by attacking Chavez, which could win votes in some sectors." Similarly, during his September 21 "Alo, Presidente" broadcast, Chavez eschewed the virulent anti-American rhetoric he used when he ordered the expulsion of the Ambassador on September 11. Chavez confined his shots at the United States to boasting that Venezuela has a higher percentage of foreign reserves than the United States and is therefore insulated from any volatility in the U.S. financial system.

-----  
BRV Looking for "Normalcy"  
-----

¶4. (C) Both Rene Arreaza, former Chief of Staff to then VP Jose Vicente Rangel, and Yaneth Arocha, MFA Director for North American Affairs, stressed to Charge late last week that the BRV seeks to maintain bilateral ties in the wake of Chavez's September 11 expulsion of the Ambassador (Refs B and C). Both said the BRV will continue to work with the USG on technical and reciprocity issues. BRV officials, however, have made similar statements in the past and have not been willing or able to follow through. It is also apparent that BRV officials believe that regardless of the damage Chavez did to bilateral ties by expelling the Ambassador, they believe they will have a clean slate with which to work. Expelled BRV Ambassador to Washington Bernie Alvarez has been stressing to the media that bilateral relations continue, albeit at a lower political level.

-----  
Comment  
-----

¶5. (C) President Chavez has many public personalities. The "revolutionary" Chavez worked himself up into an anti-American fervor during the September 11 stump speech in which he ordered the expulsion of the Ambassador. Since then, Chavez appears to have tried to put a lid on his anti-American vitriol. Exchanging army fatigues for a suit, the "statesman" Chavez has sought to underscore that bilateral commercial and consular ties continue. He is also suggesting that bilateral ties will automatically improve after a new U.S. administration takes office. BRV officials

CARACAS 00001340 002.2 OF 002

are echoing these ideas with us and the media.

¶6. (C) With the campaign season for 22 gubernatorial races and 328 mayoral races officially starting September 23, Chavez likely ratcheted his bellicose anti-American rhetoric back to avoid a political backlash. Three pollsters recently briefed Poloffs on a recently concluded USAID-sponsored focus group in which even Chavistas expressed disagreement with Chavez's decision to expel the Ambassador. The pollsters added that contrary to Chavez's propensity to attack his political opponents and critics, "peace" and "reconciliation" are very appealing political values to Venezuelans right now.

CAULFIELD